

AGN. NO. ____

**MOTION BY CHAIR HILDA L. SOLIS AND
SUPERVISOR MICHAEL D. ANTONOVICH**

May 24, 2016

Aliso Canyon Energy Reliability Impacts and Mitigation Measures

As a result of the major natural gas leak that occurred at the Aliso Canyon Natural Gas Storage Facility on October 23, 2015, there may be impacts to the energy supply for the Greater Los Angeles area. The natural gas transmission and distribution system in the Los Angeles region has relied on the Aliso Canyon facility to provide gas supplies to 11 million customers for home heating, hot water and cooking fuel and to provide gas supplies to power plants that help meet regional electrical demand. Aliso Canyon serves peak gas usage demands in winter months and peak electrical demands during the summer months. Gas supply from Aliso Canyon has never before been constrained at current levels, leading to regional energy reliability concerns.

A recent technical assessment of energy impacts detailed potential energy impacts, including the possibility of electricity service interruptions in the coming summer months. Modeling suggests that there may be 14 days this summer during which gas curtailments could be high enough to cause electricity service interruptions to millions of utility customers. The “Aliso Canyon Action Plan to Preserve Gas and Electric

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Reliability for the Los Angeles Basin,” prepared by the staff of the California Public Utilities Commission, California Energy Commission, the California Independent System Operator, and the Los Angeles Department of Water and Power, identifies the use of the current supply of 15 billion cubic feet stored in Aliso Canyon as an action to avoid electrical interruptions.

However, on May 10, 2016, Senate Bill 380 was signed by Governor Brown, requiring the Division of Oil, Gas, and Geothermal Resources (DOGGR) to continue to prohibit Southern California Gas Company from injecting any natural gas into the Aliso Canyon natural gas storage facility until DOGGR determines, with the concurrence of the California Public Utilities Commission (CPUC), that a comprehensive review of the Aliso Canyon storage facility to ensure well integrity has been completed, and the risks of failures identified in the review addressed, satisfying DOGGR’s duty to prevent damage to life, health, property, and natural resources. By July 1, 2017, CPUC must determine the feasibility of minimizing or eliminating use of the Aliso Canyon natural gas storage facility while still maintaining energy and electric reliability.

Energy conservation is a critical component of maintaining energy reliability with or without the restoration of historical operations of the Aliso Canyon facility. Additionally, there is a need to take steps to mitigate the impacts of potential outages on consumers with special attention to vulnerable populations. Local governments play an important role to engage their communities to understand the

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concern and take urgent and necessary action to reduce energy demand. In addition, because local governments are charged with ensuring safety and security in their communities, they have a keen interest in avoiding the disruptive consequences and costs associated with responding to energy outage consequences. The Southern California Regional Energy Network (SoCalREN) is uniquely positioned to assist with this effort as it has the existing institutional framework and established relationships with the 200+ cities and counties in the affected region.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Direct the Director of the Internal Services Department, in coordination with the Office of Emergency Management, to collaborate with CPUC, CAISO, IOUs and affected Public Utilities, to prepare an energy conservation education and engagement campaign targeted to local governments and other stakeholders appropriately timed in anticipation of potential energy supply constraints, consisting of multilingual and culturally-appropriate messaging to ensure the most disadvantaged community members are reached and afforded access to additional resources and programs, including rebates and other forms of relief, to help communities achieve measurable energy reductions; to prepare a comprehensive program to promote near-term energy conservation by expediting public facility retrofit projects targeting an ambitious goal of 20 million kWh annual savings by December 31, 2016; to prepare a

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- contingency plan to mitigate potential impacts of rotating outages on Southern California communities with a focus on vulnerable populations; and to report back to this Board in 30 days with a consolidated summary of efforts taken to date and planned activities in accordance with this directive.
2. Instruct the Chief Executive Officer to ensure that any necessary technical support or resources required in order to facilitate this effort are allocated in a timely manner; and to prepare a five signature letter urging CPUC to direct SoCalGas to maintain close coordination with the SoCalREN on a local government community engagement campaign, to provide appropriate supplemental funding for these expanded SoCalREN activities, to fund a Public Agency Revolving Loan Fund.

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